

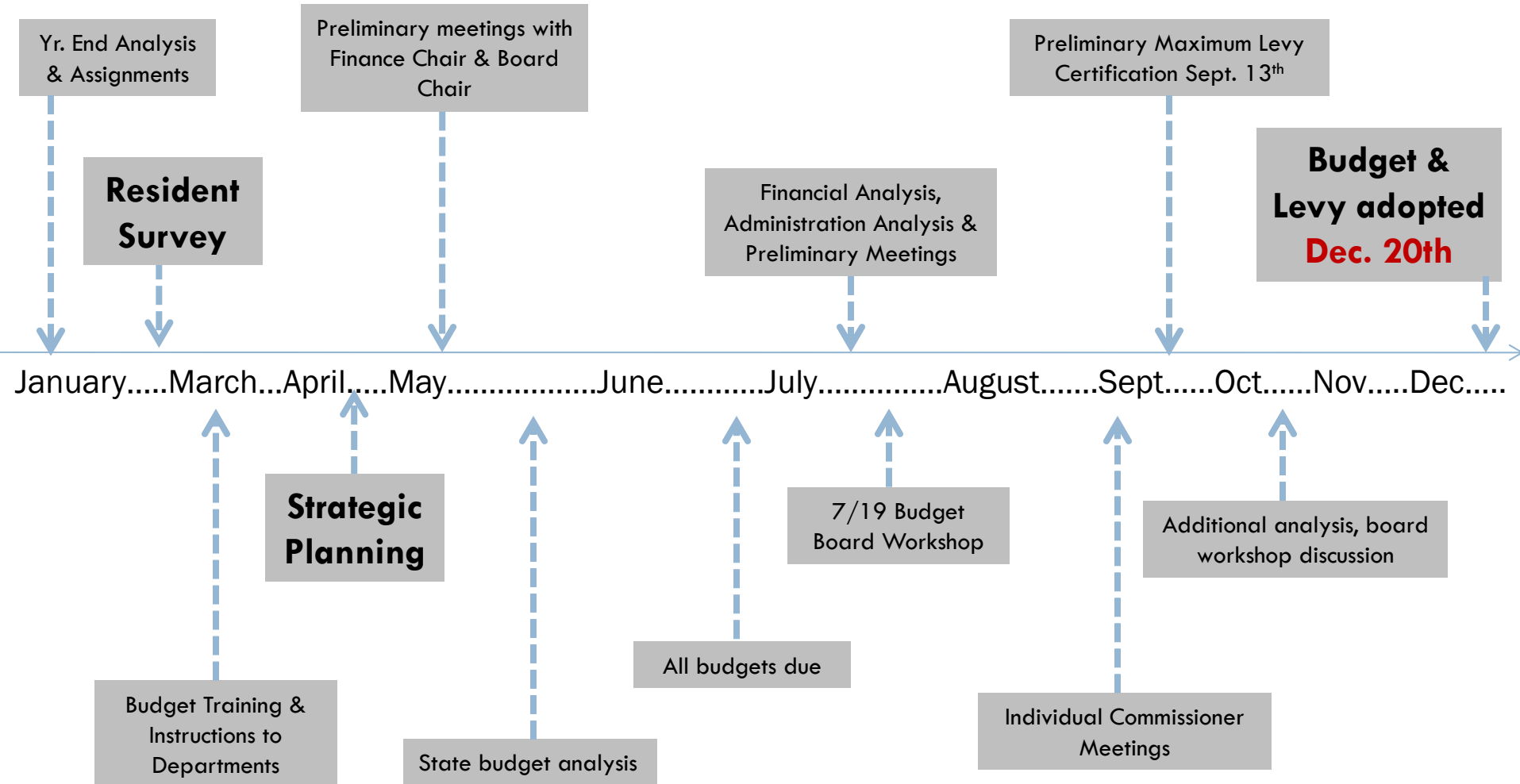


# 2017 Budget Presentation

*Budget Public Meetings 12/01/16 and 12/08/16*

# Budget Timeline

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# Budget & Strategic Alignment

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## Mission:

*The mission of St. Louis County is to promote health and safety, ensure sound infrastructure, embrace our natural resources, and support an environment where communities prosper.*

We serve the public in a manner that earns trust by incorporating these values:

- People-focused
- Innovation
- Fairness
- Integrity
- Stewardship

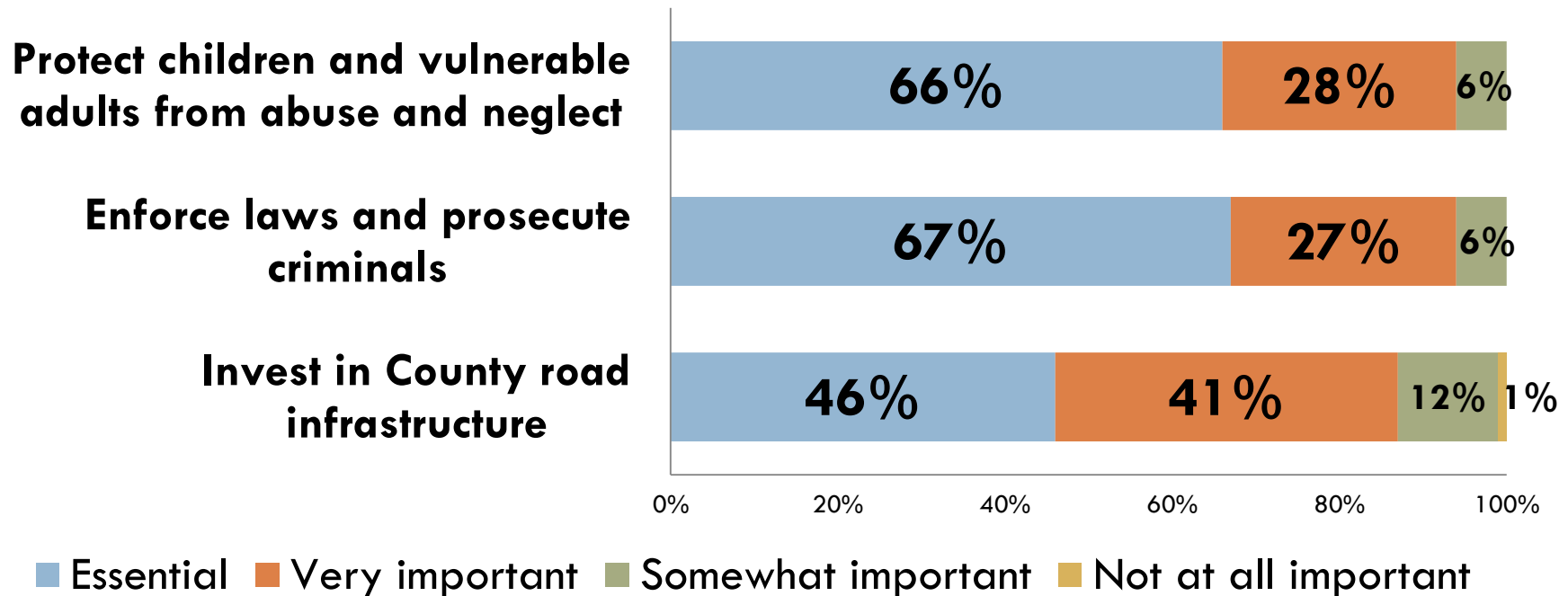
## Focus Areas:

- Economic Development
- Substance Abuse & Mental Health

# Dedicating Resources to Critical Areas

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*Respondents were asked how important, if at all, is it for the County to provide various services. The three services below ranked the highest in importance, and reflect where investments are being made in 2017.*



# Cost Drivers

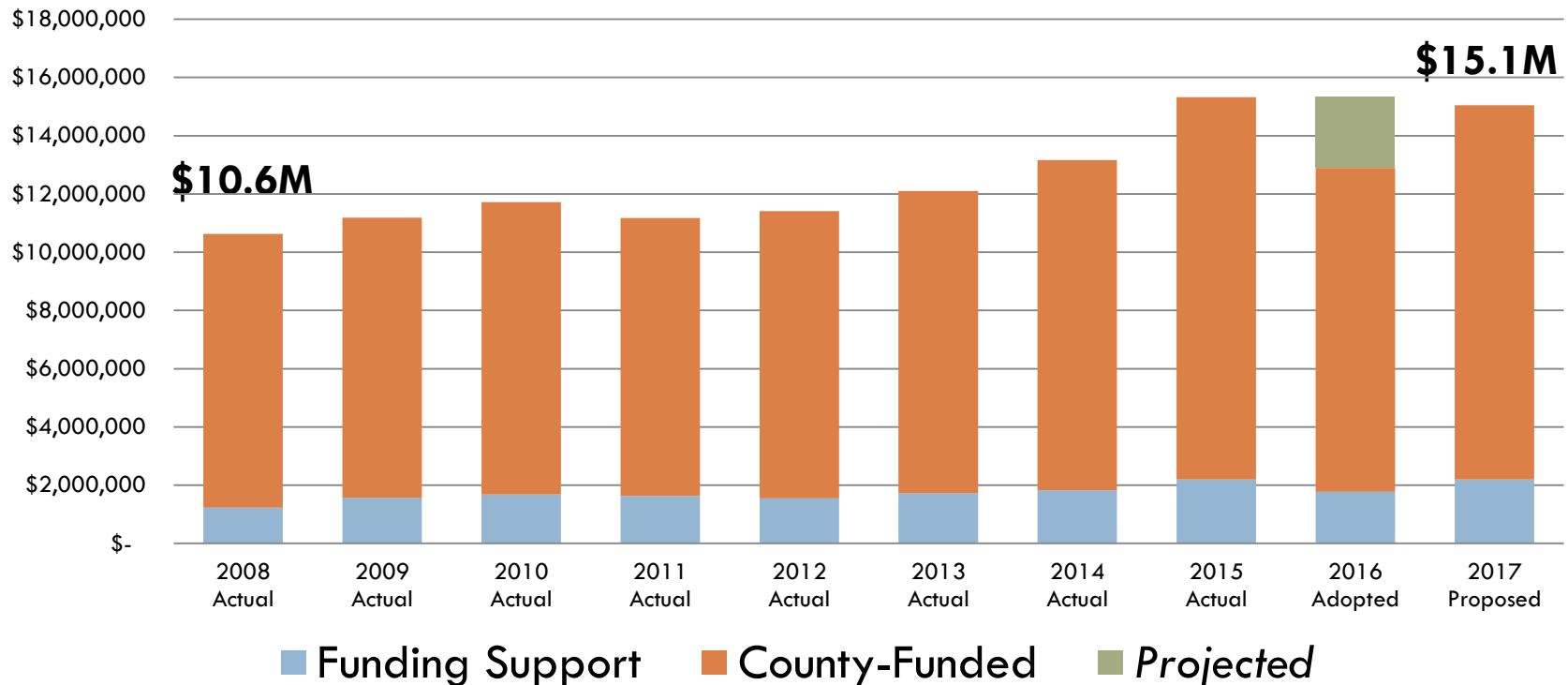
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- ❑ **Investment in Families/Children:** Increased investments, costs and caseloads in Public Health and Human Services
  - ❑ More children and families in poverty and crisis
  - ❑ Dramatic increase in out of home placements
  - ❑ Growing mental health and substance abuse challenges
- ❑ **Less State Support:** Lack of agreement between the governor and legislature
  - ❑ Unsigned tax bill contained over \$3 million in funding support
  - ❑ Increasing unfunded or underfunded state mandates and burdensome reporting requirements
  - ❑ Missed opportunity for critical infrastructure investments
- ❑ **Escalating Employee Health Care Costs**

# Out of Home Placement (OHP) Costs

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## Out of Home Placement Costs

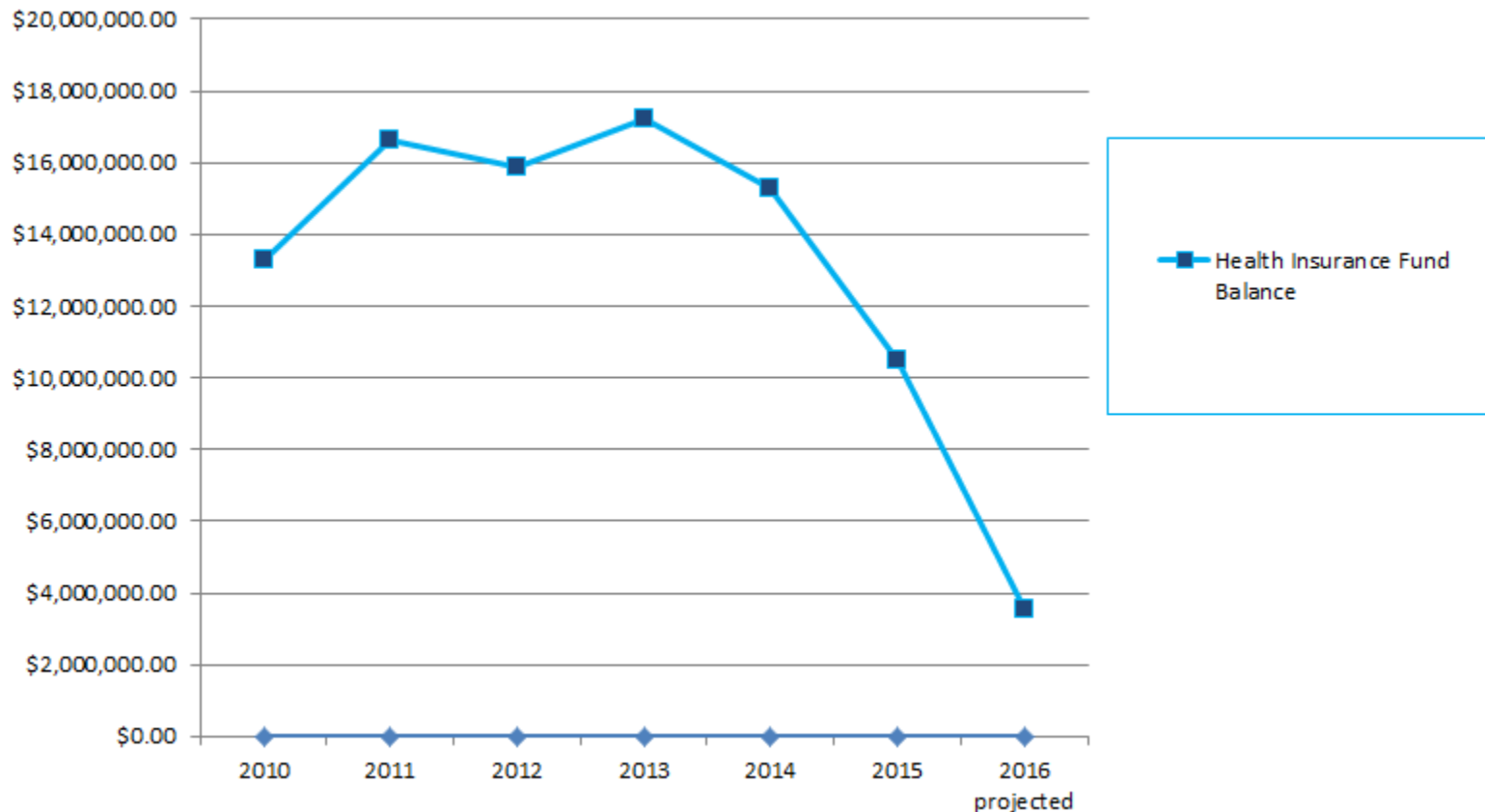


**Note:** Minnesota ranks 49<sup>th</sup> (only Ohio is worse) for state funding for out of home placement costs.

# Health Insurance

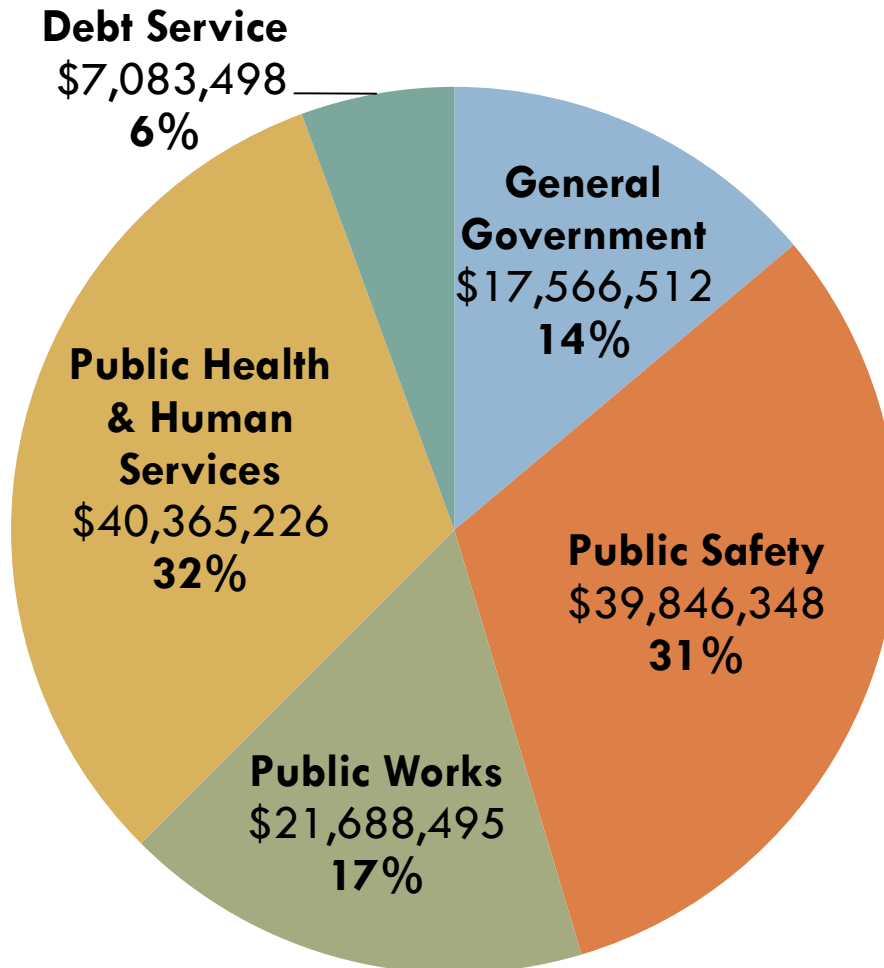
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Claim costs have increased over 30% in recent years, dramatically lowering the County's health care fund.



# Levy-Supported Services

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**Proposed 2017 Levy  
= \$126,550,079**

**8.5% Levy Increase**

**Proposed 2017 Budget  
= \$387,159,183**

*Note: Updated 12/08/16*





# County Portion Taxes

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Below are the tax amounts and changes from 2015 to 2017 for a home valued at \$100,000:

<b>\$100,000 Home Value</b>	<b>2015 Tax</b>	<b>2016 Tax Decrease</b>	<b>2016 Tax</b>	<b>2017 Tax Increase</b>	<b>2017 Tax</b>	<b>Net Change (from 2015)</b>
Virginia	\$285	(\$16)	\$269	\$24	<b>\$293</b>	<b>\$8</b>
Hibbing	\$296	(\$15)	\$281	\$24	<b>\$305</b>	<b>\$9</b>
Ely	\$315	(\$17)	\$298	\$19	<b>\$317</b>	<b>\$2</b>
Duluth	\$463	(\$22)	\$441	\$25	<b>\$466</b>	<b>\$3</b>

# County Portion Taxes

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Below are the tax amounts and changes from 2015 to 2017 for a home valued at \$150,000:

<b>\$150,000 Home Value</b>	<b>2015 Tax</b>	<b>2016 Tax Decrease</b>	<b>2016 Tax</b>	<b>2017 Tax Increase</b>	<b>2017 Tax</b>	<b>Net Change (from 2015)</b>
<b>Proctor</b>	\$827	(\$40)	\$787	\$46	\$833	<b>\$6</b>
<b>Hermantown</b>	\$863	(\$39)	\$824	\$42	\$866	<b>\$3</b>
<b>Duluth</b>	\$814	(\$38)	\$776	\$45	\$821	<b>\$7</b>

# Budget Highlights

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- Supports human capital investments
  - ▣ Increased personnel for child protective services to reduce caseloads and provide more support to children and families
  - ▣ Proactive efforts to address mental health and substance abuse challenges
  - ▣ Funding to acknowledge increased costs of out of home placements and foster care
- Recognizes the need to invest in employee wages and to strengthen the health insurance fund
- Sustains county's investment in public infrastructure and customer service systems
- Continues to take a long-term view of fiscal stability and protect the county's AA+ bond rating

# Budget Information

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## ❑ Important Dates:

- ❑ **Dec. 13:** Review Budget Resolution at Committee of the Whole
- ❑ **Dec. 20:** Adopt 2017 Budget

## ❑ Additional Information:

- ❑ Go to [www.stlouiscountymn.gov/budget](http://www.stlouiscountymn.gov/budget)
- ❑ Sign up for St. Louis County news alerts at [www.stlouiscountymn.gov](http://www.stlouiscountymn.gov) and look for



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